CONSUMER PRICE

INDEX

REPORT

DECEMBER 2006

MANITOBA
BUREAU OF STATISTICS

RIGHT ANSWERS
RIGHT NOW

January 23, 2007

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CONSUMER PRICE INDEX – DECEMBER 2006

	PERCENT CHANGE - ALL ITEMS INDEX	
	DECEMBER 06/DECEMBER 05	DECEMBER 06/ NOVEMBER 06
MANITOBA	1.6	-0.4
CANADA	1.6	0.2

The Manitoba all items index rose 1.6% in December 2006 compared with December 2005, down from the November annual rate of 1.7%. Canada's annual rate of price increase in December was 1.6%, up from its November rate of 1.4%.

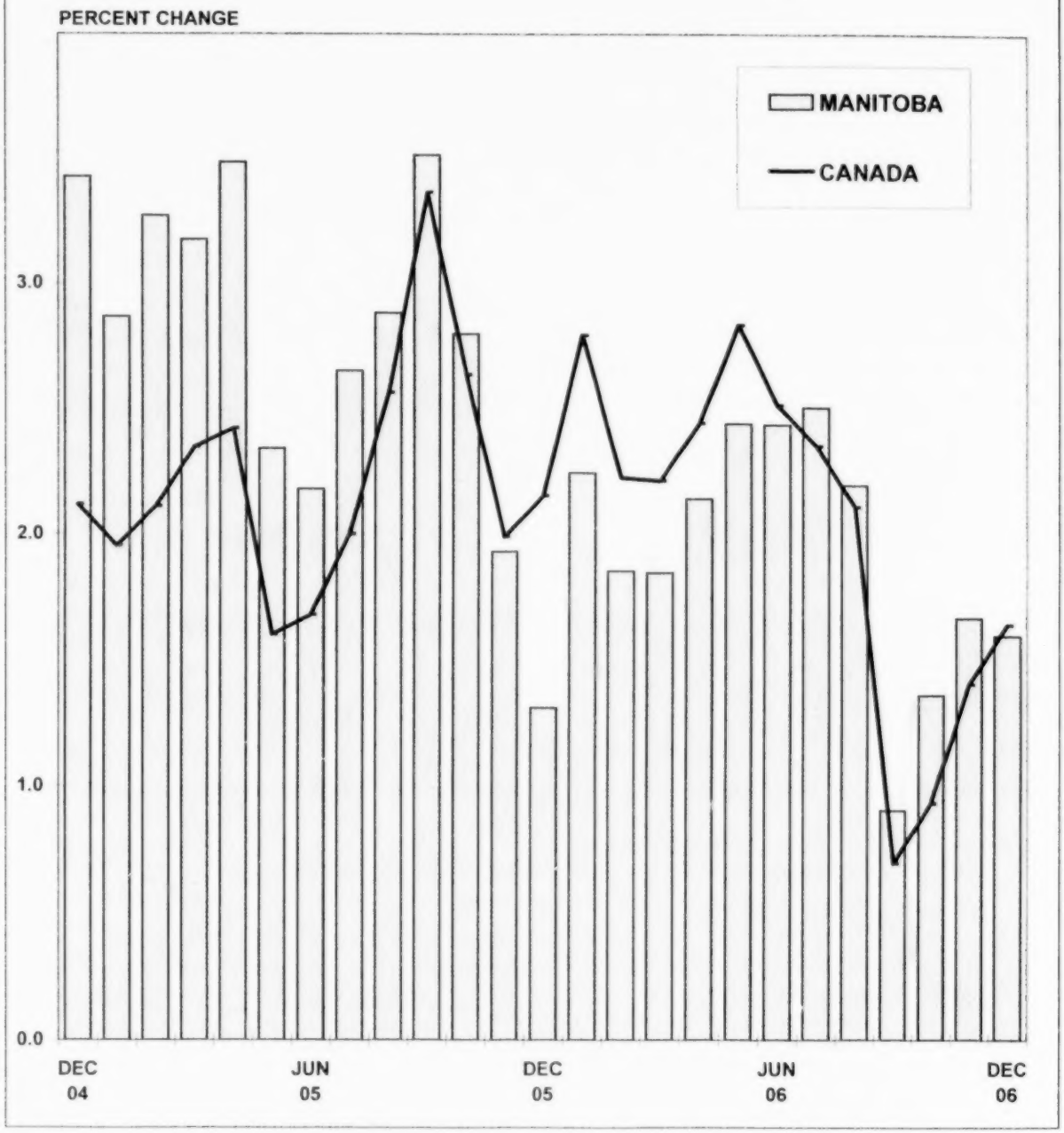
Chart 1 presents a summary of price changes for Manitoba and Canada over the last two years. The method of calculation shown in Chart 1 is the most widely used, and is often referred to by the media as the **"inflation rate"**. It is based on the percent change between the current month and the same month the previous year.

Manitoba's annual inflation rate of 1.6% in December was third highest among the provinces. Alberta recorded the highest increase at 4.7% while New Brunswick recorded the lowest rate at 0.7%. The Winnipeg all items index was 1.7% in December, unchanged from an annual rate of 1.7% in November.

Between December 2005 and December 2006, Manitoba saw lower prices for the purchase and leasing of automotive vehicles, natural gas, recreational equipment & services (excluding vehicles), women's clothing, home entertainment equipment & services, telephone services, as well as fuel oil and other fuel. These declines were partly offset by higher prices for mortgage interest cost, replacement cost, food purchased from restaurants, gasoline, bakery products, homeowners' insurance premiums, and property taxes (including special charges).

On a monthly basis, the Manitoba all-items index was down 0.4% in December, down from the 0.1% in November. Prices were lower last month for women's clothing, traveller accommodation, home entertainment equipment & services, non-alcoholic beverages, recreational equipment & services (excluding vehicles), fresh vegetables, as well as household chemical products. These declines were offset by increases in cigarettes, inter-city transportation, bakery products, mortgage interest cost, purchase and leasing of automotive vehicles, processed meat, and fresh or frozen chicken. Overall, prices at the national level increased by 0.2% in December, unchanged from the 0.2% increase in November.

CHART 1. CONSUMER PRICE INDEX
MONTHLY INFLATION RATE
MANITOBA AND CANADA



DATA SOURCE: STATISTICS CANADA
MANITOBA BUREAU OF STATISTICS

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CHART 2. CONSUMER PRICE INDICES
PERCENT CHANGE FROM DEC 05 TO DEC 06
ALL ITEMS: CANADA AND PROVINCES

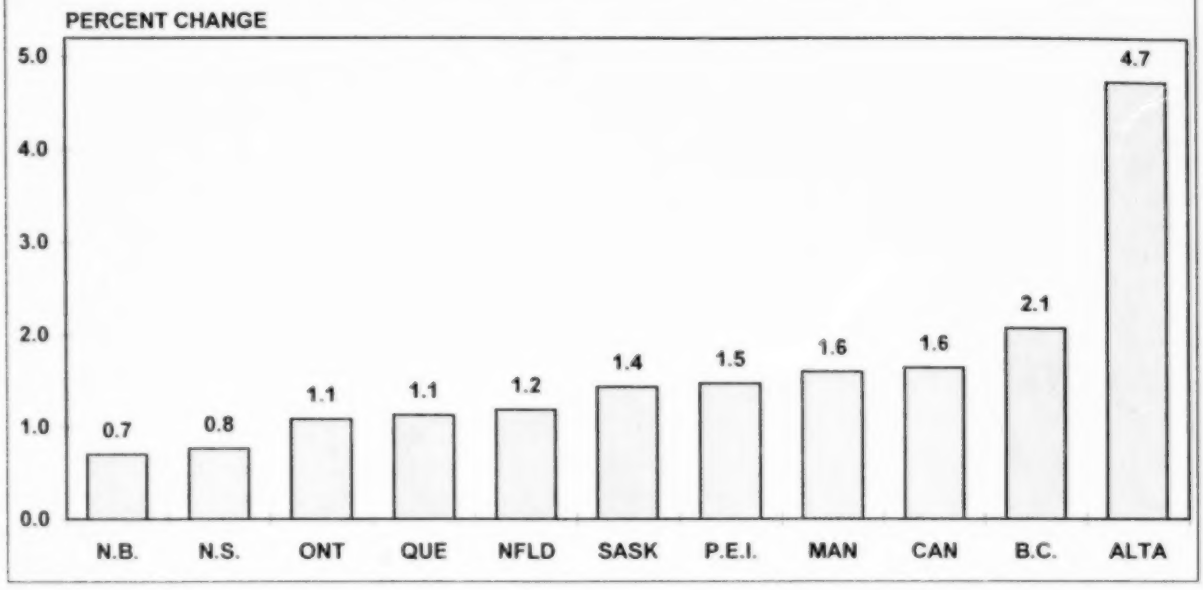
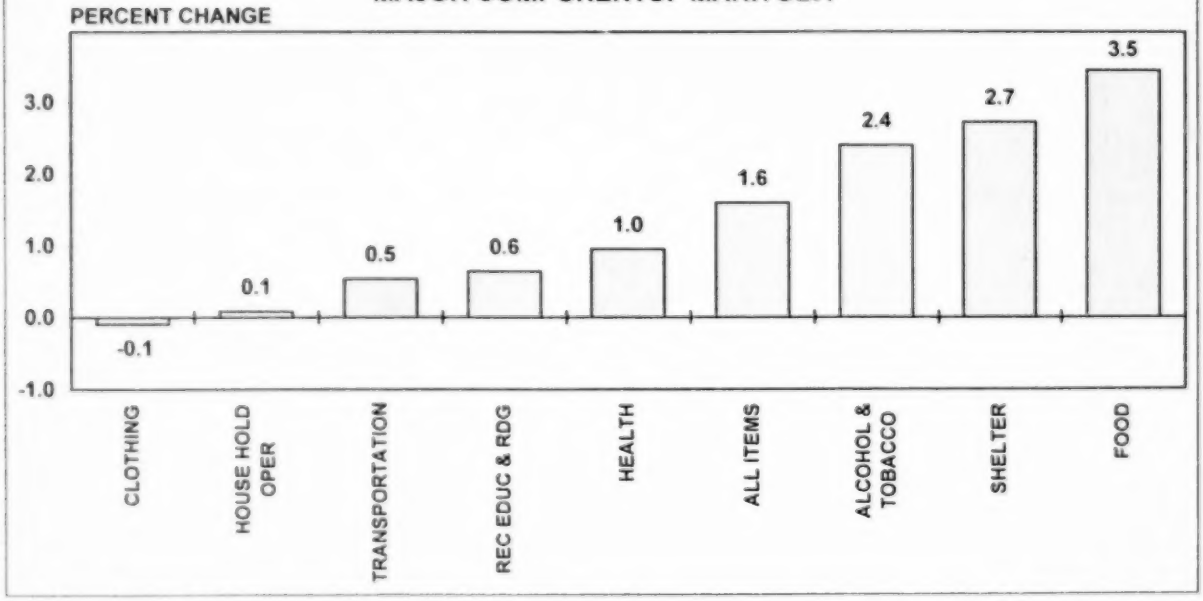


CHART 3. CONSUMER PRICE INDICES
PERCENT CHANGE FROM DEC 05 TO DEC 06
MAJOR COMPONENTS: MANITOBA



DATA SOURCE: STATISTICS CANADA
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TABLE 1: CONSUMER PRICE INDICES FOR DECEMBER 2006

(1992 = 100)

	MANITOBA					CANADA				
	DEC 06	NOV 06	PERCENT CHANGE	DEC 05	PERCENT CHANGE	DEC 06	NOV 06	PERCENT CHANGE	DEC 05	PERCENT CHANGE
MAIN COMPONENTS										
ALL ITEMS	133.7	134.2	-0.4	131.6	1.6	130.2	130.0	0.2	128.1	1.6
FOOD	137.9	138.2	-0.2	133.3	3.5	132.2	132.4	-0.2	129.3	2.2
SHELTER	132.1	131.8	0.2	128.6	2.7	130.5	129.8	0.5	125.7	3.8
HOUSEHOLD OPERATIONS AND FURNISHINGS	123.2	123.6	-0.3	123.1	0.1	116.3	116.3	0.0	116.2	0.1
CLOTHING AND FOOTWEAR	110.1	114.2	-3.6	110.2	-0.1	98.4	102.0	-3.5	100.4	-2.0
TRANSPORTATION	150.5	150.2	0.2	149.7	0.5	153.4	151.6	1.2	152.1	0.9
HEALTH AND PERSONAL CARE	127.4	128.0	-0.5	126.2	1.0	122.7	123.2	-0.4	121.5	1.0
RECREATION, EDUCATION AND READING	125.6	127.6	-1.6	124.8	0.6	126.5	127.0	-0.4	126.6	-0.1
TOBACCO AND ALCOHOL	157.8	156.6	0.8	154.1	2.4	152.2	151.2	0.7	147.5	3.2
SPECIAL AGGREGATES										
ALL ITEMS EXCL. FOOD	132.8	133.3	-0.4	131.2	1.2	129.9	129.6	0.2	127.9	1.6
ALL ITEMS EXCL. FOOD AND ENERGY	129.8	130.3	-0.4	127.9	1.5	126.4	126.5	-0.1	124.5	1.5
ENERGY	162.3	162.3	0.0	163.5	-0.7	164.8	160.5	2.7	162.3	1.5
GOODS	128.6	129.4	-0.6	127.9	0.5	122.8	122.7	0.1	122.7	0.1
SERVICES	139.5	139.5	0.0	135.7	2.8	138.3	138.0	0.2	134.1	3.1

DATA SOURCE: STATISTICS CANADA

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TABLE 2: CONSUMER PRICE INDICES FOR DECEMBER 2006

(1992 = 100)

	ALL ITEMS					FOOD				
	DEC 06	NOV 06	PERCENT CHANGE	DEC 05	PERCENT CHANGE	DEC 06	NOV 06	PERCENT CHANGE	DEC 05	PERCENT CHANGE
MANITOBA	133.7	134.2	-0.4	131.6	1.6	137.9	138.2	-0.2	133.3	3.5
WESTERN PROVINCES										
SASKATCHEWAN	134.6	134.5	0.1	132.7	1.4	131.1	130.4	0.5	123.5	6.2
ALBERTA	141.8	141.2	0.4	135.4	4.7	132.6	132.2	0.3	128.2	3.4
BRITISH COLUMBIA	128.3	128.1	0.2	125.7	2.1	130.4	130.7	-0.2	127.4	2.4
EASTERN PROVINCES										
ONTARIO	130.6	130.5	0.1	129.2	1.1	132.1	132.3	-0.2	129.9	1.7
QUEBEC	125.5	125.5	0.0	124.1	1.1	134.5	134.9	-0.3	131.7	2.1
MARITIME PROVINCES										
NEW BRUNSWICK	129.4	128.5	0.7	128.5	0.7	131.6	131.5	0.1	128.4	2.5
NOVA SCOTIA	131.9	132.2	-0.2	130.9	0.8	134.1	134.7	-0.4	130.9	2.4
PRINCE EDWARD ISLAND	131.3	130.7	0.5	129.4	1.5	130.3	130.0	0.2	127.0	2.6
NEWFOUNDLAND/LABRADOR	128.1	128.0	0.1	126.6	1.2	125.5	125.9	-0.3	123.1	1.9
* MANITOBA RANK			1		8			5		9

DATA SOURCE: STATISTICS CANADA

MANITOBA BUREAU OF STATISTICS

* Ranking is done in ascending order from the lowest to the highest

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TABLE 3: PERCENT CHANGE COMPARISONS, MANITOBA AND CANADA

(AS OF DECEMBER 2006)

	(1) CHANGE FROM SAME MONTH LAST YEAR		(2) CURRENT ANNUAL RATE OF CHANGE		(3) 12 - MONTH ANNUAL RATE	
MAIN COMPONENTS	MANITOBA	CANADA	MANITOBA	CANADA	MANITOBA	CANADA
ALL ITEMS	1.6	1.6	-0.6	0.6	1.9	2.0
FOOD	3.5	2.2	1.8	4.0	2.2	2.4
SHELTER	2.7	3.8	4.4	2.2	3.0	3.6
HOUSEHOLD OPERATIONS AND FURNISHINGS	0.1	0.1	-5.6	0.7	0.4	0.4
CLOTHING AND FOOTWEAR	-0.1	-2.0	-10.8	-18.6	-3.2	-1.8
TRANSPORTATION	0.5	0.9	-0.8	4.8	3.6	2.8
HEALTH AND PERSONAL CARE	1.0	1.0	-1.6	0.7	1.4	1.2
RECREATION, EDUCATION AND READING	0.6	-0.1	-4.0	-5.5	0.3	-0.2
TOBACCO AND ALCOHOL	2.4	3.2	1.8	3.8	2.3	2.2
SPECIAL AGGREGATES:						
ALL ITEMS EXCL. FOOD	1.2	1.6	-1.2	0.3	1.9	1.9
ALL ITEMS EXCL. FOOD AND ENERGY	1.5	1.5	0.9	0.6	1.5	1.5
ENERGY	-0.7	1.5	-13.1	-4.9	4.7	5.1
GOODS	0.5	0.1	-3.1	-1.0	1.4	1.3
SERVICES	2.8	3.1	2.3	2.3	2.5	2.7

DATA SOURCE: STATISTICS CANADA

MANITOBA BUREAU OF STATISTICS
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NOTE: THERE ARE SEVERAL WAYS TO MEASURE THE ANNUAL PERCENT CHANGE OF THE CONSUMER PRICE INDEX, COMMONLY REFERRED TO AS THE INFLATION RATE. THE ABOVE TABLE PRESENTS THREE DIFFERENT METHODS:

(1) THE MOST COMMONLY USED METHOD OF REPORTING THE INFLATION RATE, BASED ON PERCENT CHANGE FROM THE SAME MONTH ONE YEAR AGO.

(2) PROVIDES A MEASURE OF THE CURRENT ANNUAL RATE OF INFLATION. THE GROWTH RATE OVER THE PRECEEDING THREE MONTHS IS CALCULATED AND THEN COMPOUNDED AT AN ANNUAL RATE. IT SHOULD BE NOTED THAT THESE CALCULATIONS HAVE NOT BEEN SEASONALLY-ADJUSTED.

(3) COMPARES THE AVERAGE OF THE 12 MONTHS ENDING THIS MONTH WITH THE AVERAGE OF THE 12 MONTHS ENDING ONE YEAR EARLIER.

TABLE 4: CONSUMER PRICE INDICES FOR DECEMBER 2006: ALL ITEMS

(1992 = 100)

	DEC 06	NOV 06	PERCENT CHANGE	(1) CHANGE FROM SAME MONTH LAST YEAR	(2) 12 - MONTH ANNUAL RATE
WINNIPEG	133.9	134.3	-0.3	1.7	1.9
WESTERN CITIES					
REGINA	135.5	135.4	0.1	1.5	1.9
SASKATOON	133.8	133.8	0.0	1.4	2.1
CALGARY	144.3	143.7	0.4	5.7	4.6
EDMONTON	138.3	137.7	0.4	3.8	3.1
VANCOUVER	129.4	129.1	0.2	2.6	1.9
VICTORIA	128.0	127.8	0.2	1.5	1.6
EASTERN CITIES					
THUNDER BAY	127.2	127.1	0.1	0.6	1.5
TORONTO	130.8	130.6	0.2	1.0	1.6
OTTAWA	132.4	132.2	0.2	1.1	1.7
MONTREAL	125.6	125.7	-0.1	1.2	1.7
QUEBEC	125.9	125.9	0.0	0.9	1.7
MARITIME CITIES					
SAINT JOHN, N.B.	128.9	128.2	0.5	0.7	1.7
HALIFAX	130.6	130.9	-0.2	1.0	2.1
CHARLOTTETOWN	130.1	129.6	0.4	1.6	2.3
ST. JOHN'S, NFLD	127.7	127.6	0.1	1.1	1.7
* WINNIPEG RANK (OUT OF 16 CITIES)			1	13	10

DATA SOURCE: STATISTICS CANADA

MANITOBA BUREAU OF STATISTICS

* Ranking is done in ascending order from the lowest to the highest

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NOTE: THERE ARE SEVERAL WAYS TO MEASURE THE ANNUAL PERCENT CHANGE OF THE CONSUMER PRICE INDEX, COMMONLY REFERRED TO AS THE INFLATION RATE. THE ABOVE TABLE PRESENTS TWO DIFFERENT METHODS:

(1) THE MOST COMMONLY USED METHOD OF REPORTING THE INFLATION RATE, BASED ON PERCENT CHANGE FROM THE SAME MONTH ONE YEAR AGO.

(2) COMPARES THE AVERAGE OF THE 12 MONTHS ENDING THIS MONTH WITH THE AVERAGE OF THE 12 MONTHS ENDING ONE YEAR EARLIER.

Manitoba